

## REMARKS

The foregoing amendment does not include the introduction of new matter into the present application for invention. Therefore, the Applicant, respectfully, requests that the above amendment be entered in and that the claims to the present application be, kindly, reconsidered.

The Office Action dated November 5, 2003 has been received and considered by the Applicants. Claims 1-26 are pending in the present application for invention. Claims 1-19, 25 and 26 are withdrawn. Claims 20-24 stand rejected by the November 5, 2003 Office Action.

The foregoing amendment to the specification has changed the ABSTRACT to place into proper form.

The foregoing amendment to the claims has added new Claims 27-41. Therefore, there are a total of twenty claims to be considered in the present application for invention.

The Office Action rejects Claims 20-24 under the provisions of 35 U.S.C. §102(e), as being anticipated by U.S. Patent Application Publication No. US 2002/0122601 A1 to Peng (hereinafter referred to as Peng). The Examiner states that Peng discloses all the recited elements of the rejected claims.

The Examiner further states that rejected Claim 20 requires that the "controller be responsive to operate in one of a plurality of modes each having a given complexity characteristic for an acceptable distortion level of an output of the decoder and, wherein the controller selects a mode based upon said given complexity characteristics."

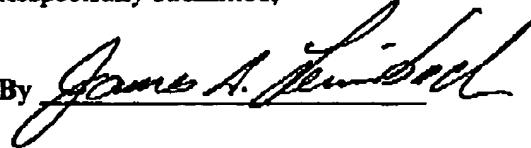
The Applicants do not agree that this is a correct reading of the element to Claim 20. The element in question reads "wherein at least one of said variable length decoder (304'), inverse quantizer (310') inverse discrete cosine transform (312') and motion compensator (306) is coupled to said controller and responsive thereto to operate in one of a plurality of modes each having a given complexity characteristic for an acceptable distortion level of an output of said decoder; and, wherein said controller selects said one of said modes based upon said given complexity characteristics." Accordingly, it is not the controller that is responsive as the Examiner asserts, but it is at least one of the variable length decoder (304'), inverse quantizer (310') inverse discrete cosine transform (312') or motion compensator (306) that is responsive to operate in one of a plurality of modes. Therefore, the rejection under the provisions of 35 U.S.C.

Applicant is not aware of any additional patents, publications, or other information not previously submitted to the Patent and Trademark Office which would be required under 37 C.F.R. 1.99.

In view of the foregoing amendment and remarks, the Applicant believes that the present application is in condition for allowance, with such allowance being, respectfully, requested.

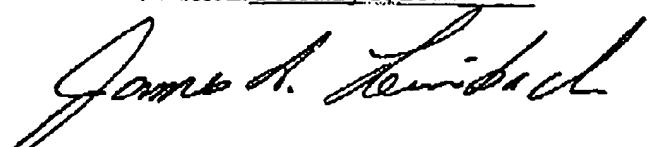
Respectfully submitted,

By

  
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§102(e), as being anticipated by Peng does not reach all the claim limitations and is, respectfully, traversed.

Claims 21-24 depend from further narrow and define Claim 20. Therefore, Claims 21-24 are also believed to be allowable over the cited reference Peng.

The foregoing amendment to the claims has added new Claims 27-41. Claim 27-32 reinstate certain elements formed contained in non-elected claims that are operable with MPEG 2 decoders. Therefore, these elements have been added as dependent claims. Claims 33-41 are method claims having a similar scope to the apparatus claims discussed above. Claim 20 is believed to be allowable, therefore, Claims 27-32, which depend from Claim 27 are also believed to be allowable. Claims 33-41 having similar scope, are also believed to be allowable.